

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>WISCONSIN PUBLIC SERVICE CORPORATION</b>	)	
for a reconciliation of renewable energy revenues	)	Case No. U-18088
and expenses for 2015.	)	
_____	)	

At the December 20, 2016 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman  
Hon. Norman J. Saari, Commissioner  
Hon. Rachael A. Eubanks, Commissioner

**ORDER APPROVING SETTLEMENT AGREEMENT**

On August 10, 2016, Wisconsin Public Service Corporation (WPS Corp) filed an application, with supporting testimony and an exhibit, requesting authority to reconcile its 2015 renewable energy plan (REP) revenues and expenses associated with its REP. On that same date, WPS Corp filed its 2015 renewable energy report.

A prehearing conference was held on October 5, 2016, and a second prehearing conference was held on December 6, 2016, both before Administrative Law Judge Suzanne D. Sonneborn. WPS Corp and the Commission Staff participated in the proceedings. Subsequently, the parties submitted a settlement agreement resolving all issues in the case.

According to the terms of the settlement agreement, attached as Exhibit A, the parties agree that WPS Corp's 2015 renewable energy annual report satisfies the requirements of Section 51 of 2008 PA 295 (Act 295), MCL 460.1051, and that WPS Corp is in compliance with the renewable

energy standards of Act 295. The parties agree that for the 12-month period ended December 31, 2015, WPS Corp was not authorized to charge, nor did it collect, a renewable energy surcharge, and thus there are no renewable energy surcharge revenues to be reconciled.

The Commission finds that the settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved.

B. Wisconsin Public Service Corporation's application for authority to reconcile its renewable energy plan revenues and expenses for the 12-month period ended December 31, 2015, is approved.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at [mpscedockets@michigan.gov](mailto:mpscedockets@michigan.gov) and to the Michigan Department of the Attorney General – Public Service Division at [pungp1@michigan.gov](mailto:pungp1@michigan.gov). In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General – Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

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Sally A. Talberg, Chairman

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Norman J. Saari, Commissioner

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Rachael A. Eubanks, Commissioner

By its action of December 20, 2016.

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Kavita Kale, Executive Secretary

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<b>WISCONSIN PUBLIC SERVICE CORPORATION</b>	)	Case No. U-18088
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_____	)	

**SETTLEMENT AGREEMENT**

Pursuant to MCL 24.278 and Rule 431 of the Michigan Administrative Hearing System's Administrative Rules, R 792.10431, Wisconsin Public Service Corporation ("WPS Corp" or the "Company") and the Michigan Public Service Commission Staff ("Staff") agree as follows:

1. On August 10, 2016, the Company filed with the Michigan Public Service Commission ("Commission") its Renewable Energy reconciliation application, including its Renewable Energy Annual Report ("Report") for 2015 and supporting direct case.
2. In its direct case, WPS Corp represents that for the 12-month period ending December 31, 2015, its renewable energy plan did not include a renewable energy surcharge. Therefore, as no renewable energy surcharges were applied to WPS Corp's customers in 2015, WPS Corp reported no related collections.
3. On September 1, 2016, the Commission's Executive Secretary issued the Notice of Hearing in this proceeding directing the Company to mail a copy of the Notice of Hearing to all cities, incorporated villages, townships and counties in its service area and to intervenors in Case No. U-18088. Further, the Company was directed to publish the Notice of Hearing in daily newspapers of general circulation throughout its service area.
4. On October 3, 2016, the Company electronically filed notice that it had not been able to fully comply with the Executive Secretary's notice directives.

5. On October 5, 2016, Administrative Law Judge (“ALJ”) Suzanne D. Sonneborn, conducted the prehearing conference. The Company and Staff attended the prehearing conference. There were no intervenors. At the prehearing conference, in order to address the Company’s failure to give adequate notice, the parties agreed to convene a second prehearing conference as to be directed by the Commission’s Executive Secretary.

6. On November 3, 2016 the Commission’s Executive Secretary issued the second Notice of Hearing, and on November 28, 2016 the Company electronically filed its affidavit of mailing and proof of publication reflecting full compliance with the Executive Secretary’s directives.

7. On December 6, 2016, a second prehearing was held before ALJ Sonneborn, with the Staff and Company in attendance. There were no intervenors.

8. Subsequently, the parties participated in settlement discussions and agree as follows:

- a. WPS Corp’s 2015 Renewable Energy Annual Report satisfies the requirements of Section 51 of Act 295, MCL 460.1001 *et seq.*, and WPS Corp is in compliance with the renewable energy standards.
- b. WPS Corp and Staff agree that WPS Corp meets the 2015 renewable energy credit portfolio requirements.
- c. For the 12-month period that ended December 31, 2015, WPS Corp was not authorized to charge, nor did it collect, a renewable energy surcharge.

Thus, there are no revenues to reconcile under Act 295 in this proceeding.

9. All the parties are of the opinion that this Settlement Agreement is reasonable, in the public interest, and will aid in the expeditious conclusion of this case.

10. This Settlement Agreement is entered into for the sole and express purpose of reaching a compromise among the parties. All offers of settlement and discussions relating to this settlement are considered privileged under Michigan Rules of Evidence, Rule 408. If the Commission approves this Settlement Agreement without modification, neither the parties to the Settlement Agreement or the Commission shall make any reference to, or use this Settlement Agreement or the order approving it, as a reason, authority, rationale or example for taking any action or position or making any subsequent decision in any other case or proceeding, however, such references may be made to enforce or implement the provisions of this Settlement Agreement and the order approving it.

11. The parties further agree that any order approving this Settlement Agreement shall not establish precedent for future proceedings. This Settlement Agreement is based on the facts and circumstances of this case and is intended as the final disposition of Case No. U-18088. If the Commission approves this Settlement Agreement, without modification, the undersigned parties agree not to appeal, challenge or otherwise contest the Commission order approving this Settlement Agreement.

12. This Settlement Agreement is not severable. Each provision of this Settlement Agreement is dependent upon all other provisions of this Settlement Agreement. Failure to comply with any provision of this Settlement Agreement constitutes failure to comply with the entire settlement agreement. If the Commission rejects or modifies this Settlement Agreement or any provision of this Settlement Agreement, this Settlement Agreement shall be deemed to be withdrawn. It shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall not operate to prejudice the pre-negotiation position of any party.

13. All signatories agree to waive § 81 of the Administrative Procedures Act of 1969, as amended, MCL 24.281, as it applies to the issues in this proceeding, if the Commission approves this Settlement Agreement without modification.

WISCONSIN PUBLIC SERVICE CORPORATION

Sherri A.

Digitally signed by: Sherri A. Wellman  
DN: CN = Sherri A. Wellman C = AD O =  
MillerCanfield  
Date: 2016.11.30 10:20:54 -05'00'

Dated: December 6, 2016

By: Wellman

Its Attorney  
Sherri A. Wellman (P38989)  
MILLER, CANFIELD, PADDOCK and STONE, P.L.C.  
One Michigan Avenue, Suite 900  
Lansing, Michigan 48933  
(517) 487-2070

MICHIGAN PUBLIC SERVICE COMMISSION STAFF



Dated: December 6, 2016

By: \_\_\_\_\_

Its Attorney  
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